STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF MINING, LAND AND WATER DIVISION OF AGRICULTURE

PRELIMINARY DECISION

Proposed Agriculture Land Offering South Central Region Willer-Kash ADL 230825 AS 38.05.035(e)

I. <u>Proposed Action:</u>

The Department of Natural Resources (DNR), Division of Agriculture (DAg) in cooperation with the Division of Mining, Land, and Water (DMLW) proposes to convey into private ownership, via sealed bid auction, no more than 6 parcels comprising up to approximately 680 acres of state-land within the Willer-Kash Agriculture Project (ADL 230825) which is located approximately 5 miles Northeast of Willow and 2 miles North of the Willow Fishhook Road. The project area is composed of the N1/2, SE 1/4 of Section 19 & the NE¹/4, N¹/₂ SE¹/₄ of Section 30; Township 20 North, Range 3 West; Seward Meridian. The project area is managed under the Southeast Susitna Area Plan (SSAP) and is designated Agriculture/Settlement. The Division of Agriculture has determined that the soils in the project area are suitable for agriculture. If this proposed action is approved, parcels may be offered as part of a future Agricultural Land auction.

All lands sold will be subject to perpetual agriculture covenants per AS 38.05.321. The minimum bid for each parcel will be set at the appraised fair market value. Bidders will be required to provide a deposit of no less 5% of their bid amount. The state will refund the deposit to unsuccessful bidders.

<u>Attachment A:</u> Project Map <u>Attachment B:</u> Public Notice <u>Attachment C:</u> Conditions and Reservations

The public is invited to comment on this Preliminary Decision. The deadline for comment is 4:00 PM December 27, 2013; see Section VI. <u>Public Notice</u> for details on how and where to send comments.

II. <u>Authority:</u>

The Department of Natural Resources has the authority under Alaska Statute 38.05.035(e) to sell state land for private ownership if determined to be in the best interest of the state.

Alaska Statute (AS) 38.04.005 – Public and Private Land Use Policy,

AS 38.05.035 – Powers and Duties of the Director,

AS 38.05.045 – General Provisions for the Sale of State Land,

AS 38.05.050 – Disposal of Land for Private Ownership,

AS 38.05.055 – Procedures for Sale by Auction,

AS 38.05.321 – Restrictions of Disposal of Agricultural Land,

AS 38.05.945 – Requirement for Notice

III. <u>Administrative Record:</u>

The Administrative record consists of: Willer-Kash Project file (ADL 230825). Also incorporated by reference are the 2008 Southeast Susitna Area Plan (SSAP), the Natural Resource Conservation Service (NRCS) Matanuska-Susitna Valley Area soils map, the Willer-Kash Land Capability Classification Survey prepared by the Upper Susitna Soil and Water Conservation District, and a Reconnaissance Engineering Study: Willer-Kash Agricultural Parcel Road Access prepared by engineers from DNR- Parks and Outdoor Recreation.

IV. <u>Scope:</u>

The scope of this decision is limited to DNR's proposed decision to convey approximately 680 acres of State agricultural land described in the legal description section of this document. All parcels offered for sale are subject to agricultural covenants as per AS 38.05.321. Parcels may be subject to a clearing requirement. The amount of clearing required, if any, will be listed in the offering brochure. There are no associated actions with this proposal.

V. <u>Description:</u>

Location:

Geographic:

The project area is located in south central Alaska, 5 miles Northeast of Willow, approximately 2 miles north of the Willow Fishhook Road. ¹/₂ mile west of Willer-Kash Road.

Municipality:

The Project area is within the Matanuska-Susitna Borough.

Native Region Corporations:

The project area is located within the CIRI Native Regional Corporation boundary.

USGS Map Coverage:

Project area is located within USGS Anchorage D-8 SW Quadrangle

Legal Description:

Township 20 North, Range 3 West, Seward Meridian, Alaska

Section 19: N1/2, SE1/4 Containing 461 acres More or Less

Section 30: NE¹/4, N¹/2 N¹/2 SE¹/4 Containing 200 Acres More Or Less

Clearing and Development Requirements:

Clearing and development requirements will be based on 25% of cropland as defined below.

For the purpose of determining required development "Cropland" is defined as land that:

• after being cleared is capable of producing, at a minimum, such commercial crops as grasses for seed, grain for cereal, or frost hardy vegetables;

- is arable and at least 97 percent free of surface stoniness (stones greater than three inches); with slopes less than 12 percent;
- has mineral soil depths over aggregate or sand measuring at least 10";
- is capable of draining satisfactorily following conversion to farm land;
- not subject to frequent flooding.

Land Title:

According to Title Reports RPT-1086 (current as of 7/24/2012) the State of Alaska holds fee title to the land and mineral estate within the project area.

• General Purpose Grant- Statehood entitlement under the Act of July 7, 1958, 72 Stat. 339, as amended. The State received Patent for the land and mineral estate under this entitlement on 7/9/1968. The Patent Number is 50-69-0002. The applicable State case file is GS-332.

Other Constraints: From the aforementioned title report, excepted and reserved from conveyance:

- a right-of-way for the construction of railroads, telegraph, and telephone lines in accordance with the Act of March 12, 1914, 38 Stat. 305, 48 USC Sec. 305; and
- a right-of-way for ditches or canals constructed by the authority of the U.S. in accordance with the Act of August 30, 1890, 26 Stat. 391; 43 USC 945.
- ADL 228207, initiate date 2/27/2002, public easement, right-of-way
- ADL 230825, initiate date 9/15/2009, land sale project, agricultural sale

Geophysical Attributes: The following paragraphs describe the subject's geophysical attributes.

Topography: The project area is characterized by a forested ridge top and bench uplands with an abrupt transition into a steep sloping hillside. The sloping hillside then gradually transitions to a wetland bog.

Soils: See Attachment "B" for soils map. The Willer-Kash Land Capability Classification Survey found well drained upland habitats with genetic A and B horizons >20" and with slopes < 20%. These areas had favorable Land Capability Classification (LCC) in the 2c and 3s categories. The sloping hillside classified as upland had a variable set of slope angles and soil depths. The sloping hillside had less favorable LCC 4s, 6e, and 7e due to slope angles. The hydric soil types of the wetland bog preclude this area from favorable LCC categories.

Vegetation: The Eastern side of the project area is a forested ridge top and bench upland dominated by spruce and birch. The toe-slope of the hillside is wetland forested and scrub shrub habitat. The wetland bog, to the west, is classified as Palustrine Forested Saturated (PFOf) and Palustrine Scrub-Shrub (PSSf) dominated by black spruce. A complete plant species list is detailed in table 3 of the Willer-Kash Land Capability Classification Survey.

Fire Hazards: The current fire management option for most of the project area is "Full". The fire management policy on areas with the "Full" management option reads, "Fires occurring within or immediately threatening this designation will receive aggressive initial attack dependent upon the availability of suppression resources." Fire management options and policies for the area are identified in the Alaska Interagency Wildfire Management Plan available from the DNR Division of

Forestry. It is important to note, however, that the DNR Division of Forestry has warned that DMLW inform participants there is no guarantee their property will be spared from harm from a wildland fire, even if the area is designated "Full" fire management option. Landowners with structures are encouraged to follow the Alaska Wildland Fire Coordinating Group *Firewise Alaska* recommendations.

Flood Zone: The Willer-Kash Agricultural Project area is within FEMA printed map 6092E. The project area is not within a flood zone.

Background

None of the parcels have been offered for disposal by the state before. This project is within ½ a mile of two agricultural homesteads that were permitted in 1985 (ADL 221997) and 1986 (ADL 222659).

The project area was selected for offering pursuant to a review of available agricultural land designated in the Southeast Susitna Area Plan. Ground inspections of the project area were performed in September and October of 2009 with a presentation at the Land Disposal Review Board in December 2009. A Land Capability Classification Survey was conducted by the Upper Susitna Soil and Water Conservation District in 2010 to gauge the agricultural capabilities of the soils within the project area. A Reconnaissance Engineering Study was prepared by the Division of Parks and Outdoor Recreation to determine access to parcels within the project area. The Division of Parks and Outdoor Recreation also prepared a Useable Area Study to satisfy requirements of the Matanuska Susitna Borough.

Planning and Classification

The project area is located within Southeast Susitna Area Plan (SSAP), Kashwitna – Willow Uplands Region; Subunit U-06. Lands within this unit are classified Agriculture/Settlement under Classification Order (CL) SC-82-021.

The management intent of area plan Management Unit U-06 states that lands within this unit are appropriate either for an agricultural/settlement disposal or residential disposal during the planning period. Protect central area of wetlands and the Roger Creek river system. The Talkeetna Mail – Central Trail Loop (ADL 228207), a 100' public use easement, traverses the unit in a north- south orientation. The trail system is managed under a cooperative resource management agreement with the Borough (ADL 228819). This proposed action is consistent with management policies and general management intent of SSAP and the management unit.

Mineral Closing Order:

The project area is currently subject to Mineral Closing Order (MCO) No. 318. Mineral closing orders, when established, close the area to exploration and development of locatable minerals such as gold, copper, platinum, etc. Mineral closing orders do not apply to leasable minerals including oil and gas leasing, coal leasing, shallow gas leasing, or exploration licensing, nor do they preclude reasonable surface access to these resources. However, Alaska law also provides that the surface owner will be compensated for damages resulting from exploration and development (AS 38.05.130).

Municipal Zoning and Comprehensive Plans:

The project area is located within the Matanuska Susitna Borough, which currently does not have an adopted zoning ordinance. The project area is located on lands within the Willow Area Community

Comprehensive Plan (WACCP). Two sections of the WACCP specifically relate to the agricultural nature of the project. Section 2. – Land Use and Section 6 – Economic Development.

Section 2. Land Use:

GOAL 5: Maintain the quality of Willow's natural environment and scenic beauty, while allowing for necessary improvements to support growth.

Recommendations

b. Encourage the State and the Borough to sell smaller (5-10 acre) parcels for agricultural use.

e. Provide tax relief for landowners who guarantee retention of undeveloped land parcels including but not limited to farmed land.

Section 6. Economic Development:

GOAL 5:

a. Encourage the continuation of agricultural activities in the area.

Encourage local agriculture and sale/consumption of local agricultural products.

Agriculture played a formative role in the history of Willow and should still be encouraged. A number of residents are active in different agricultural pursuits, including raising hay, vegetables, seed crops, and animals. Agriculture in the area is primarily practiced at a modest scale. Products are for home use, local consumption, and for retail sales.

Recommendations

b. Encourage development of an improved venue for selling local agricultural products, such as a farmers market in the Town Center area.

c. Retain lands sold with agricultural covenants for agricultural use.

d. Outside of the Town Center area, reserve public land with high agricultural values for agricultural use.

Traditional Use Finding (AS 38.05.830):

The project area is within an organized borough and does not require a Traditional Use Finding under AS 38.05.830.

Access:

Access to and Beyond:

Access to project area parcels is addressed in a Reconnaissance Engineering Study: Willer-Kash Agricultural Parcel Road Access which was prepared by DNR- Division of Parks and Outdoor Recreation engineers. The preferred route was determined to be Alternative #1, constructing three separate roads for access, all originating from Willer-Kash Road. The road alignments are delineated A through C from north to south as depicted in Figure 4 of the Reconnaissance Engineering Study. Road A, intended to provide access to Parcel 1, will use an existing 60-foot wide public easement branching off of Willer-Kash Road. Road B will provide access to Parcels 2 and 3 along a section line and stay within the section line easement. Road C will provide access to Parcels 4 and 5 and will also run along a section line within the section line easement.

ADL 228207 is a platted public access easement 100 feet in width that provides access between the southern portions and the northern portions of the project area.

ADL 231319-V is a multi-use winter only trail easement 30 feet in width.

Additional legal access to the project area is available across adjacent State owned land as provided by 11 AAC 96 – Generally Allowed Uses of State Land.

Waters Determined Public or Navigable:

No public or navigable waterbodies are present within these parcels.

Access to and Along Public Water (AS 38.05.127, 11 AAC 51.035, 11 AAC 51.045):

No public or navigable waterbodies are present within these parcels.

Reservation of Mineral Estate: In accordance with Section 6 (i) of the Alaska Statehood Act and AS 38.05.125 Reservation, the State, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing, and producing the reserved mineral resources. Exploration and development that could occur would be consistent with AS 38.05.130 and other applicable statutes and regulations that provide that the surface owner be compensated for damages resulting from mineral exploration and development.

Hazardous Materials and Potential Contaminants: Interested parties are encouraged to inspect the property and familiarize themselves with the condition and quality of the land. The State of Alaska makes no representations and no warranties, express nor implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land here proposed for conveyance. The State further assumes no liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances be eventually found.

Given that this land was specifically designated for agriculture/settlement for transfer into private ownership, and given the high degree of interest from both the legislature and citizens in transferring State-owned land into private ownership, DNR is of the opinion that the benefits outweigh the potential risks.

Environmental Risk Assessment:

Potential risks associated with transfer of vacant public land into private hands for potential development include, but are not limited to, potential surface and groundwater contamination, increased risk of soil pollution, and increased risk of erosion. Many of the activities increasing these potential risks are regulated by other agencies, such as regulation of septic system installation and pesticide/herbicide use by the Alaska Department of Environmental Conservation, however, the Department of Natural Resources cannot guarantee private landowners will comply with these regulations and standards, nor can the Department guarantee the new landowners will follow any best management practices that may apply to activities performed upon their property. The risks are not project specific; rather they are present whenever vacant land is developed. These parcels will, however, be subject to adherence to a State Farm Conservation Plan, which must be approved before a contract will be issued. The State Farm Conservation Plan is generally the result of the landowner working closely with the Natural Resource Conservation Service and /or the local Soil and Water Conservation District and is designed to help protect the land from unwise land practices.

The Department recognizes there are environmental risks associated with the potential development when vacant public land is transferred into private ownership. However these risks are present any time vacant land is developed regardless of who the owner is and how title to the land was acquired. Given that this land was specifically designated settlement/agriculture to allow for transfer into private ownership and

development, and the high degree of interest from both the legislature and citizens in transferring state land into private ownership, the Department proposes that the benefits outweigh the risks.

Survey and Appraisal:

The project area is considered surveyed based on Alaska Cadastral Survey Of Sections 19 and 30, within Tract "A", T.20N., R.3W., S.M., Alaska Plat Filed In The Palmer Recording District On April 25, 1985, As Plat 85-51.

Fair market appraisals for all parcels will be completed prior to sale. The minimum bid for each parcel will be set at the appraised fair market value.

Agency Comments:

Agency review was conducted from December 2, 2011 to January 6, 2012. Comments pertinent to this proposed action received during agency review have been considered and addressed in the following paragraphs. Additional timely comments received during the Public Notice period will be considered and addressed in the Final Finding and Decision if the proposal proceeds to that step.

DNR, DMLW, Land Sales Comment (summarized)

The Division of Ag should consult with the Survey Unit and Realty Services on how to describe ADL 228207 in sale documents and how to reserve it in conveyances. The easement was issued and recorded without angle point coordinates, bearings between angle points, ties to monuments, or plat dedications. It is not sufficient to be described as a plat. The graphic depiction of ADL 228207 in the agency review document is not consistent with the depiction of ADL 228207 on the easement document. If the network of trails within the proposed project is not part of ADL 228207, the Division of Ag should reserve access along these existing routes.

DNR DAg Response

Prior to sale the Survey Unit will produce a new Record of Survey for ADL 228207. Additionally the "Half Mile" or "Mushers" trail (ADL 231319-V) will also be reserved as a winter use trail. DAg discussed the network of existing trails with the DNR, DMLW, South Central Region Office (SCRO), Easement Section; no additional trails will be reserved as better access exists.

DNR, DMLW, Reality Services Comment (summarized)

Title Reports need to be updated within one year of the disposal date. Lands within section 19 will need to be subject to ADL 228207 (public access easement Talkeetna Mail-Central Trail Loop).

DNR DAg Response

Title report will be updated within one year of sale date. Parcels will be subject to ADL 228207.

DNR Division of Geological & Geophysical Surveys Comment (summarized)

The project area likely includes economic sand & gravel resources.

DNR DAg Response

The sale will have no economic impact on the sand and gravel resources in the area.

DNR DMLW Mining Section Comment

The area has been closed to mineral entry since 1983 under MCO 318. There are no mining or exploration projects in the area, or known mineral occurrences

DNR DAg Response

Thank you for your response.

DNR Division of Oil & Gas Comment

Several closed shallow natural gas leases are in the area.

DNR DAg Response

The sale will not affect any closed shallow natural gas leases.

DNR Division of Parks and Outdoor Recreation, Office of History & Archaeology Comment (summarized)

The Alaska Heritage Resources Survey (AHRS) indicates that there are no recorded cultural resources in the boundary of ADL 230825. The sale of Willer-Kash Agricultural Project Area will not have any known effect to cultural resources. However, agricultural work conducted by the purchaser has the potential to affect unidentified cultural resources.

DNR DAg Response

Information regarding the Alaska Historic Preservation Act will be included in the sales brochure.

Department of Fish & Game Division of Sport Fish Comment

ADF&G concurs with the reservation of all proposed easements within the project area. We have no additional fish or wildlife concerns at this time. Thank you for the opportunity to review this proposed land sale.

DNR DAg Response

Thank you for your comment.

VI. <u>Public Notice:</u>

Pursuant to AS 38.05.945, the public is invited to comment on this Preliminary Finding and Decision, which proposes to sell agricultural land in the South Central Region. The notice will also be posted on the State of Alaska Public Notice web page at <u>http://notice.alaska.gov</u> and in conspicuous locations near the project area.

Pursuant to AS 38.05.946, a municipality or corporation statutorily entitled to receive notice under AS 38.05.945, may hold a hearing within 30 days after receipt of the notice. If a hearing is held, the commissioner (or a representative) shall attend the hearing. The commissioner has discretion whether to hold a public hearing.

DNR DAg will consider all timely comments. If timely written comments received in response to this notice indicate the need for significant changes to the Preliminary Decision, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to the proposed action will not be considered significant changes requiring additional public notice.

If the proposed action is approved and no significant change is required, the Preliminary Decision, including any deletions, minor changes, and summary of comments and Division responses, will be issued as a subsequent Final Finding and Decision without further notice. To recognize a party's eligibility to appeal a Final Finding and Decision, DAg must receive timely written comment on the Preliminary Decision as set forth in Attachment C: Public Notice. Upon approval and issuance of a Final Finding and Decision, a copy of the decision will be made available online at http://dnr.alaska.gov/mlw/landsale/public_notice/ and sent with an explanation of the appeal process to any party who provides timely written comment.

To be eligible to appeal, a person must comment in writing during the public comment period.

If you have any questions concerning this proposed action, please contact:

Erik Johnson 1800 Glenn Hwy, Ste. 12 Palmer, AK 99645

(907) 761-3863

Erik.Johnson@alaska.gov or fax (907) 745-7112.

Individuals with disabilities who may need auxiliary aids, services, or special modification should contact the Anchorage Public Information Center between the hours of 10:00 a.m. and 5:00 p.m. M-F at (907) 269-8400, e-mail: dnr-pic@dnr.state.ak.us, TDD: (907) 269-8411.

VII. Alternatives:

The following alternatives were considered:

1. Do not offer the parcels at this time and retain the land in public ownership.

This option is not preferred because there is a demand for farm land in Alaska and these parcels hold no special qualities meriting retention in public ownership.

2. Offer the land for sale through another land disposal program or offer as a lease.

This option is not preferred because:

a. SeSAP states that if the land is suitable for Agriculture, it should be offered as such.

b. A lease of suitable agricultural land would not serve the states interest because a farmer may be reluctant to invest the necessary capital to farm such land if he could only lease it. There is no special condition associated with this land that would prompt the state to retain ownership of it.

3. Offer for sale approximately 680 acres of agricultural land subject to perpetual covenants running with the land that restricts or limits the use of the lands for agricultural purposes in a sealed bid auction.

This is the preferred option because it meets the management intent of the SeSAP that states if land is suitable for agriculture and classified as such, the best interest would be served by using it for agriculture. This option serves to promote the agriculture industry in the state and the interest of the citizens by assuring future generations will have lands available for crop production. This is in the best interest of the state.

VIII. <u>Recommendation</u>:

The Division of Agriculture recommends that the land described herein be offered for sale at a sealed bid auction and include a development requirement of 25% of the total number of cropland acres per parcel, as identified by the adjudicator. The parcels would be subject to additional conditions including those shown in Attachment D.

The proposed action is consistent with the overall management intent for state land and is in the state's best interest. By offering the proposed project area at auction, the state can provide Alaskans the opportunity for private ownership of land and can generate revenue for the state. It is recommended that the disposal of the proposed project area described above be approved and proceed to public notice.

Prepared by;

Johnson

Erik Johnson, Natural Resource Specialist II **Division of Agriculture**

9/25/2013 Date

Concur with the proposed action;

Franci Havemeister, Director **Division of Agriculture**

The Preliminary Decision described above, as represented by the preferred alternative, has been reviewed and considered. I find that the recommended action may be in the best interest of the state and that it is hereby approved to proceed to public notice.

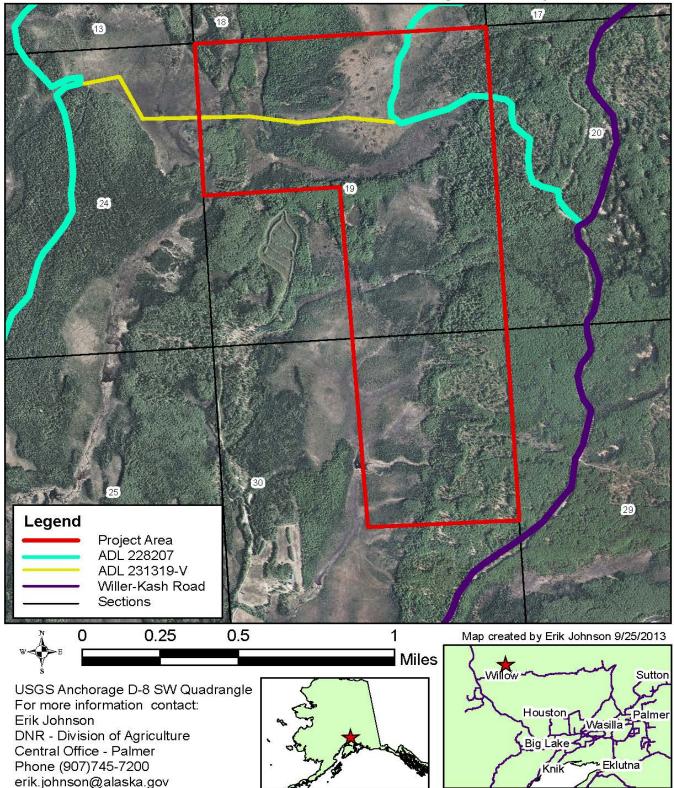
Brent Goodrum, Director Division of Mining, Land, and Water

2013



Attachment A: Vicinity Map

For a Proposed Agricultural Land Offering in the Matanuska Suitna Borough Willer-Kash Agricultural Project - ADL 230825



Attachment B

State of Alaska Department of Natural Resources Division of Agriculture & Division of Mining, Land and Water

<u>Public Notice</u> Preliminary Findings and Decisions Proposed State Agricultural Land Sale – AS 38.05.035(e) Willer-Kash Agricultural Parcels (ADL 230825)

The Alaska Department of Natural Resources, Division of Agriculture (DNR/DAg) in cooperation with the Division of Mining, Land, and Water proposes to offer approximately 680 acres of State agricultural land. The land will be offered for sale in a sealed bid auction. This state land has not been previously offered for sale. Minimum purchase price will be established at the appraised fair market value for each parcel.

Willer-Kash Agriculture Project is Located approximately 5 miles Northeast of Willow. 2 miles North of the Willow Fishook Road. ¹/₂ mile West of Willer-Kash Road. The project area is composed of the N1/2, SE 1/4 of Section 19 & the NE¹/₄, N¹/₂ SE¹/₄ of Section 30; Township 20 North, Range 3 West; Seward Meridian. Project area is located within USGS Anchorage D-8 SW Quadrangle.

Copies of the preliminary decision and maps are available at the DNR/DAg office in Palmer and online at <u>http://notice.alaska.gov</u>.

Pursuant to AS 38.05.945 Notice, the public is invited to comment on this proposed action. Comments on this proposal may be submitted by mail to Division of Agriculture, Attention: Erik Johnson, Division of Agriculture, 1800 Glenn Highway Suite 12, Palmer AK 99645; by email to Erik.Johnson@alaska.gov; or by fax to (907) 745-7112. The comment period ends at **4:00 PM** December 27, 2013.

For more information please contact Erik Johnson at (907) 761-3863, or email Erik.Johnson@alaska.gov.

If public comment in response to this notice indicates the need for significant changes in the above decision, additional public notice for the affected decision will be given. Deleting portions of the project area or making minor changes to the proposed lot numbers will not be considered a significant change requiring public notice. If no significant change is required, the preliminary decision, including any deletions, minor changes, and a summary of public comments and Division responses, will be issued as the Final Finding and Decision of the Department of Natural Resources without further notice. A copy of the final decision will be sent to any person who comments on the preliminary decision. The final decision will set out the applicable process for appealing the decision under AS 38.05.035(i)-(m).

To be eligible to appeal, a person must submit a timely comment during the public comment period.

If these recommendations are approved, the state will publish a brochure that will be distributed in nearby communities and be advertised in a statewide newspaper. The brochure will contain information about available parcels and how to participate in the auction. You may contact one of DNR's Public Information Centers for information on how to get a brochure or visit the web at http://dnr.alaska.gov/mlw/landsale/public_notice/ for current land offering information.

Individuals with disabilities who may need auxiliary aids, services, or special modification should contact the Anchorage Public Information Center between the hours of 10:00 a.m. and 5:00 p.m. M-F at (907) 269-8400, e-mail: dnr-pic@dnr.state.ak.us, TDD: (907) 269-8411.

DNR reserves the right to waive technical defects in this publication.

Attachment C

Conditions and Reservations

SUBJECT to valid existing rights, including reservations, easements, and exceptions in the U.S. Patent, or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.

SUBJECT to a public access and utility easement, 50 feet wide, on all lot lines where a section line is not present.

SUBJECT to a perpetual covenant under AS 38.05.321(a)(1) that restricts or limits the use of the land for agricultural purposes.

SUBJECT to a perpetual covenant under AS 38.05.321(a) (2) establishing restrictions on further subdivision of this tract.

SUBJECT to a farm development requirement requiring acreage to cleared and broken. The amount of acreage required to be cleared will depend on several factors and will be noted in the brochure. The land must be cleared and broken (i.e. clearing of native vegetation, including stumps, roots and debris and initially tilled, generally requiring heavy breaking implement, that leaves the ground broken and worked to a point where it is ready for further tillage or seeding with standard farm equipment) within five years of issuance of the sale contract. The area under berms will not be counted toward the clearing requirement. Cropland acres that are improved to a cleared and broken condition must be maintained in that condition throughout the term of the sale contract. The patent will not be issued until the development requirement is met and will not be issued if the cleared and broken land has not been maintained in that condition.

Purchaser should contact the Alaska Department of Natural Resources/Division of Forestry and the Alaska Department of Environmental Conservation (DEC) prior to any burning to ascertain if a permit is required.

Purchaser should contact the USDA/NRCS, for the delineation of wetlands, prior to clearing, road building or other activities that may result in the placement of dredged or fill material into wetlands.

Purchaser is responsible for providing a water and sewer systems if they are desired. The state does not provide percolation tests, wells, and other soil or water determinations. It is the responsibility of the purchaser to meet Alaska DEC requirements for sewage disposal.

Purchaser must monitor the parcel for plants on the State's list of noxious weeds and take prompt and effective eradication measures against any such plants. Failure to fulfill these responsibilities will make the purchaser subject to state pest control regulations 11 AAC 34.100-400.

The sale of this parcel under the agriculture program, the state does not give or imply any warranty as to the lands fitness, use or suitability, or whether public utilities or services will be provided.

<u>Farm Conservation Plan</u>. A contract shall not be executed by the seller until an acceptable Farm Conservation Plan has been approved by the seller pursuant to the provisions of 11 AAC 67.177-.180. Upon execution of a contract by the seller, the approved conservation plan becomes incorporated by reference in the sale contract and shall become a covenant and condition binding upon the purchaser as a term of the contract.